



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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PRESS RELEASE

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Insurance Commissioner offers answers to storm damage questions

Madison, WI — Natural disasters, including floods, tornadoes, wind and severe thunderstorms have caused substantial damage to property in Wisconsin recently.

After a disaster damages or destroys your property you may have many questions and be faced with many decisions. Insurance can be a complicated and confusing product, and the following frequently asked questions may help you sort through the process:

What should I do first after a loss?

Notify your insurance agent as soon as possible to begin filing a claim. Your insurer may also have insurance company representatives on the scene immediately following a major disaster to speed up the handling of claims. Pay attention to local news to find out if state and federal agencies are available on-scene to help with relief effort. Make a detailed list of all damaged or lost personal property. It will help to take photos of the damage. Do not throw out any damaged property without your adjuster's agreement.

Do homeowner's insurance policies cover flooding?

No. Homeowner's policies do not cover most flooding. You need separate flood insurance through the National Flood Insurance Program to protect your home and belongings against flood damage.

Do automobile insurance policies cover flooding?

Yes, if you have purchased comprehensive coverage. If you only have collision coverage, your vehicle is not covered for flooding.

When can I begin making repairs?

You can make temporary repairs immediately to protect your property from further damage. Keep these receipts and include them in your insurance claim. Permanent repairs must wait until the insurance adjuster has had a chance to review the damage. It is also important when you are making repairs to make sure the contractor you use is licensed and reputable. Make sure they have proper building permits, are insured, and will give you a written guarantee of the work performed. Beware of companies who ask for a large amount of money up front and those whose bids are amazingly low – they may cut corners and leave you with a construction or building code problem after they are gone.

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If I forget to include some items in my claim, can I still get coverage for them?

Unless the insurance company has paid the entire limit of your personal property coverage, you may be entitled to further reimbursement. It is not unusual for an insurance company to reopen a claim for additional payment. However, it is important that you file an accurate claim in a timely fashion.

Is sewer backup covered under my flood insurance or my homeowner's insurance policy?

Neither flood insurance nor standard homeowner's insurance policies cover sewer backup. However, some people opt to get sewer backup coverage as an endorsement to their homeowner's policy.

If my home is flooded, will federal disaster assistance pay for my damage?

No. Federal disaster assistance offers loans to help cover flood damage, not compensation for your losses. Even then, those loans are only available if the President formally declares a disaster.

Will business interruption insurance cover my loss of business due to flooding?

Business interruption coverage compensates you for lost income and certain operating expenses if you are forced to vacate your business because of a loss covered in your policy. You will only receive payments if your property is damaged by a risk or peril covered by the policy language. Most commercial property policies exclude flood coverage. If you bought separate policies for flood or windstorm coverage, ask your agent if these policies include business interruption coverage.

What if my crops are damaged?

If you have multiple peril coverage through the federal government, you will be covered for the loss of crop value as a result of all types of natural disasters, including excessive moisture.

If I am not satisfied with the service that my insurance company has given me, how do I file a complaint with the Office of the Commissioner of Insurance?

All complaints should be submitted in writing to the Office of the Commissioner of Insurance. You can call us for a complaint form at 1-800-236-8517, or print it off our Web site (oci.wi.gov) and mail the completed form and copies of any supporting material to:

**Office of the Commissioner of Insurance
P. O. Box 7873
Madison, WI 53707-7873**

OCI offers several publications that may help you as you sort through the claims process, including *Settling Property Insurance Claims*, *Personal Property Home Inventory*, and *Documents and Records* – which provides information on who to contact for a list of documents that will need to be replaced if they have been destroyed. All publications are available on our Web site and can also be ordered free from the agency.

Created by the Legislature in 1871, Wisconsin's Office of the Commissioner of Insurance (OCI) was vested with broad powers to ensure that the insurance industry responsibly and adequately met the insurance needs of Wisconsin citizens. Today, OCI's mission is to lead the way in informing and protecting the public and responding to its insurance needs.

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